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TAGS: PREL PGOV PTER KCRM LE SY

SUBJECT: LEBANON: NAYLA MOUAWAD STRUGGLING FOR POLITICAL
SURVIVAL, EAGER FOR TRIBUNAL, AND FIGHTING IRANIAN AID WITH
NGO WORK

Classified By: Ambassador Jeffrey D. Feltman. Reason: Sections 1.4 (b) and (d).

SUMMARY

11. (C) Minister of Social Affairs Nayla Mouawad and her son Michel, himself an aspiring politician, shared with the Ambassador on October 4 their concerns about political rivalries within the 14 March bloc and the Maronite community. Nayla Mouawad was critical of Prime Minister Siniora's micromanagement of reconstruction and failure to publicize GOL successes. She is seeking to expand her own relatively successful NGO activities to counter what her son alleges is increased Iranian funding. She is eager to pass legislation creating a special tribunal to investigate the Hariri assassination as soon as possible, in part because she sees it as a way to force a change in the presidency. Electoral reform, the Mouawads believe, is too difficult to accomplish before a new president is installed. End Summary.

FOCUSED ON POLITICAL SURVIVAL

- 12. (C) Mouawad and her son see rising sectarian tensions and a widening split within the Christian community. She began the conversation by raising recent Sunni-Shia clashes in the streets of Beirut, rhetorical clashes at Ramadan iftars, and Christian-Muslim tensions in the north. Mouawad passed on rumors that former minister Suleiman Franjieh is rearming his followers as well as members of the Ahbash (a civil war-era, Damascus-backed Sunni militia). Franjieh, she claimd, is driving a wedge of fear between the Sunni and Christian populations. Michel Mouaward cited Franjieh as saying that he would never join the 14 March coalition because he could never renounce his close friendship with Syria's Asad family.
- 13. (C) Aoun's increasingly hostile rhetoric also worries Mouawad, and she cited specific concerns about Hizballah's plans for the planned annual Day of Jerusalem (Yum al-Quds) rally on the last Friday of Ramadan. She also wondered, "what is Saad Hariri up to?" He is allowing Siniora more independence, perhaps under Saudi advice, but has yet to fine-tune his approaches to dialogue with Hizballah intermediaries, and appears afraid of Sunni-Shia tensions.
- 14. (C) Mouawad hoped that all sides could put away rivalries for the Eid later this month. Mouawad was receptive to the Ambassador's suggestion that she find some issues in which to involve the opposition, such as a civil service advisory

board for the Prime Minister on reconstruction. She also expressed great appreciation and high hopes for the private sector interest in Lebanon that has followed the President's Private Sector Delegation to Lebanon. She hopes to publicize this effort among the Lebanese and Palestinian communities in Washington during her upcoming trip (which will coincide with the Mouawad Foundation dinner in Washington on October 28).

SINIORA MICROMANAGING RECONSTRUCTION

- ¶5. (C) While the Prime Minister did a superb job managing Lebanon during the crisis, Siniora's micromanagement of the reconstruction process is less helpful, Mouawad vented. Her own ministry has been sidelined in the reconstruction process, and has found only a few projects to sponsor. Mouawad expressed frustration at how "far from social work" the Shia members of parliament are, taking more than a day to get back to her with data on social needs and eligible social projects. By contrast, she praised Jumblatt bloc MP Wael Abu Faour as being organized and quick to pursue relief activities.
- 16. (C) Where the GOL has done well in reconstruction -including quick restoration of water and roads -- has little
 impact because there is no spokesperson to give a daily
 progress report. Mouawad brought this up in an October 2
 cabinet meeting, but was told that this was a Ministry of
 Information job. She did not see Minister of Information
 Ghazi Aridi as being the right messenger. "Lebanon needs a
 road show," Mouawad commented, to publicize at home and
 abroad its accomplishments.

TRIBUNAL ESSENTIAL FOR CHANGE

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17. (C) The government is now in a "50-50" standoff, with the 14 March coalition calling for a new president and the Hizballah-Aoun alliance calling for a new government. Hizballah's primary tool is Iranian money and threats, while the 14 March coalition is starting to see an increase in support from Arab nations against Iran, and views UNIFIL and the possible establishment of a special tribunal to investigate the assassination of Rafiq Hariri as additional tools. "The tribunal is essential to change, to help the 14

tools. "The tribunal is essential to change, to help the 14 March coalition win the battle, and to winning a change in the presidency," Michel opined. Electoral reform, she said, will be possible only after a change in the presidency, because Christians will not rally around the 14 March coalition until there is a new president.

- 18. (C) Nayla Mouawad agreed with the Ambassador that the March 14 movement is not working as it should, largely because each of its member politicians are thinking of their own agendas rather than developing a unified approach, with the exception of Walid Jumblatt. Mouawad recently discussed with Jumblatt the need for a political program to attract more followers to the movement. A clearer structure and a program would be good. But "at the end of the day the Christians want a leader," and the movement needs to attract Christians and Shia unhappy with Hizballah. Lebanon needs a new president in order to encourage a Shia "third way." The March 14 coalition needs to start encouraging a third option for the Shia today, but it will take a long time to cultivate and the 14 March movement cannot count on this to survive.
- 19. (C) The way to a new president is through an international tribunal that follows from the UNIIIC, Mouawad believes; just starting the process and seeing the prospect of a conviction will be enough to end Lahoud's term. Brammertz will be obliged in his final report to give an opinion on the case, Michel said, indicating he believed that opinion might be damning enough to oust Lahoud. If the cabinet received a draft of the tribunal legislation today it

might reach a decision in two to three weeks. The legislation should be considered "the sooner the better," and the March 14 coalition is determined to use its two-thirds majority to pass the tribunal legislation in parliament. Mouawad says Saad Hariri has assured her that Nabih Berri will vote with them or at least abstain, and she believes Hizballah would not dare oppose the legislation.

FIGHTING IRANIAN FUNDING WITH NGO WORK

- 19. (C) Mouawad returned to the theme of her frustration that Siniora is micromanaging reconstruction and has sidelined both her ministry and civil society from the rebuilding process. Mouawad is looking to expand her family NGO's programs -- specifically a youth employment and agricultural support program that received USAID funding -- to the south and to a more diverse sectarian base. Michel Mouawad was frank about his desire to use the program to appeal to a more strategic political base. The Mouawad family charity has taken a small USAID infusion and benefited over 2500 farmers and 1500 young people by creating above-market-rate seasonal work picking apples. The Mouawads hope to extend this program to olive picking, are looking for local partners to help them expand into the south, and aim to reach a broader swath of the population. Michel Mouawad is intent on using aid to bolster support among more of the "politically homeless" Christians. Paying young men and women to do seasonal work in agriculture outside their hometowns gives them hope, pocket money, and a new range of contacts, and is a replacement for Syrian day laborers. U.S. involvement in such projects is known and much appreciated on the ground, Michel opined.
- 110. (C) Michel also expressed concerns about a recent increase in Iranian funding to Islamic groups in Zagarta. Saudi funding has also increased, he said, but is mainly going through the government to schools. Iranian funding is "less politically correct" and is passed out directly rather than through state channels. "We are waging a national battle," Mouawad said, "and Iran is playing." We need to strengthen the poorer areas through social programs to resist Iranian influence.

PEACE PROCESS

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<u>¶</u>11. (C) Progress toward an Israeli-Palestinian settlement would help the situation in Lebanon, and is needed to get Iran out of the region. The 14 March movement alone cannot move Lebanon forward, but needs international pressure on

Iran and Syria, Mouawad said.

ELECTORAL REFORM

112. (C) The electoral law as proposed by Fouad Butrous is not good, Michel commented. It has technical problems that could have been solved if the Commission had taken advantage of technical assistance offers, and "practically and politically it won't work." Its first problem is its call for proportionality; the low threshold for participation will lead to a preponderance of small parties represented and cause instability in a country which requires a clear majority to form an effective government. Secondly, confessional leaders won't accept representatives from outside their confessional group, and as a result Lebanon will have to be divided into smaller electoral districts. FELTMAN